



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
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Fifth District

June 3, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**CONTRACT FOR EMPLOYEE DRUG AND ALCOHOL TESTING PROGRAM
ADMINISTRATION/SERVICES FOR COMMERCIAL DRIVERS
(3-VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached contract with American Substance Abuse Professional Drug Solutions, Inc. (ASAP), at a County cost not to exceed \$34,800 annually to provide employee drug and alcohol testing program administration/services for commercial drivers, effective upon Board approval through June 30, 2006; and authorize the Chief Administrative Officer to extend the agreement for two one-year periods; and authorize the Chief Administrative Officer to increase the maximum annual contract cost of \$34,800 by a sum not exceeding 15% annually during the term of this agreement in the event the level of program participation and/or utilization of services increases.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended approval of this contract is to replace the existing contract with Addiction Medicine Consultants, Inc. that expires on June 30, 2003 for the provision of the mandatory employee drug and alcohol testing program for commercial drivers.

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A new agreement is necessary in order to continue to provide these services.

The County has utilized a third party administrator since 1995 when a drug and alcohol testing program was first implemented for its commercial drivers in accordance with guidelines mandated by the Federal Department of Transportation (DOT). The DOT requires pre-employment drug testing and random and post-accident drug and alcohol testing of employees who carry commercial driver's licenses and who drive passenger vans with 15 or more passenger seats or who operate vehicles weighing more than 26,000 pounds. There are currently approximately 920 County employees in nine departments who are covered by these guidelines.

This program continues to be legally mandated as well as highly effective. Since the County implemented the program, the percentage of positive random drug tests steadily declined from the 1995 positive rate of 5.3% to the positive rate of .9% in 2002. The Chief Administrative Office (CAO), through the Risk Management Branch, maintains contract review and quality assurance services to ensure contract compliance, quality, and cost effective services.

Implementation of Strategic Plan Goals

This contract is consistent with the Board-approved Strategic Plan Goals of Workforce Excellence, Organizational Effectiveness, and Fiscal Responsibility by meeting the CAO Departmental objective of establishing a risk management system that emphasizes loss prevention.

FISCAL IMPACT/FINANCING

Services under this contract will be paid on a fee-for-service basis subject to a maximum annual cost of \$34,800 for each year of the agreement term that could result in a total contract maximum cost of \$174,000 if the contract were extended for a 5-year term. The County's average annual cost for these services since program inception has been \$32,200.

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Under the new contract, there is a potential for increased cost based upon increased utilization of services and/or an increase in the number of employees participating in the program. In the event these unpredictable increases occur after the start date of the contract, the CAO may by written notice to the contractor increase the maximum compensation by up to 15% during the term of the contract.

Costs for these agreement services are included in the CAO 2002-2003 Adopted Departmental Budget and CAO 2003-2004 Proposed Departmental Budget.

FACTS AND PROVISIONS

Drug and alcohol testing for commercial drivers is mandated by federal law. This contract provides for the administration and provision of these requirements. Upon Board approval, this contract will be in effect to replace the contract with the existing company that expires June 30, 2003. This contract will terminate June 30, 2006 unless extended by exercising one or both of the optional one-year extensions.

The contract has been approved as to form by County Counsel and can be terminated at any time for cause and at the convenience of the County. In addition, the County may terminate the agreement if sufficient funds are not available.

The contract contains the County's standard provisions regarding contractor obligations and is in compliance with all applicable Board, CAO, and County Counsel requirements. The CAO's Risk Management Branch has approved the insurance coverage, indemnification, and liability provisions included in the contract.

Living Wage Program requirements do not apply to this non-Proposition A contract.

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CONTRACTING PROCESS

A formal Request for Proposal (RFP) process was undertaken for the administration and provision of these services. The RFP was advertised in the Los Angeles Times, La Opinion, L.A. Sentinel, and the Acton/Agua Dulce News. The RFP was also posted on the County contracting website (Attachment I) and a notification of its availability was mailed to nine known providers. In addition, an inquiry to the Office of Affirmative Action and Compliance indicated two qualified Community Business Enterprise vendors for these services, who were also sent a notification of the availability of this RFP.

A proposers' conference was conducted on March 5, 2003. Representatives from seven companies attended the conference. Three proposals were submitted by the due date of April 3, 2003.

The evaluation process consisted of three phases. Upon completion of all phases, the evaluation committee awarded ASAP the highest rating, determining that ASAP will provide the County and its employees with the best overall contract, service and cost arrangement. Based on this evaluation, we are recommending that the contract be awarded to ASAP of Long Beach, CA.

The Community Business Enterprise (CBE) information forms are shown as Attachment II, and ASAP is a CBE. However, on final analysis and consideration of award, ASAP was selected without regard to gender, race, creed or color.

The contract allows no cost of living increase (COLA) in the contractor's rate of compensation.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this contract continues the legally mandated drug and alcohol testing for County employees who are designated under DOT requirements as commercial drivers.

The Honorable Board of Supervisors
June 3, 2003
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CONCLUSION

Please sign three copies of the attached contract and return two copies to the CAO, Risk Management Branch.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:RAA
CSS:KAB

Attachments (3)

c: County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

**AMERICAN SUBSTANCE ABUSE PROFESSIONAL
DRUG SOLUTIONS, INC.**

FOR

EMPLOYEE DRUG AND ALCOHOL TESTING PROGRAM

ADMINISTRATION/SERVICES

FOR COMMERCIAL DRIVERS

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**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
American Substance Abuse Professional Drug Solutions, Inc.
FOR
EMPLOYEE DRUG AND ALCOHOL TESTING PROGRAM
ADMINISTRATION/SERVICES
FOR COMMERCIAL DRIVERS**

This Contract and Exhibits made and entered into this ____ day of _____, 2003 by and between the County of Los Angeles, hereinafter referred to as County and American Substance Abuse Professional Drug Solutions, Inc., hereinafter referred to as Contractor. Contractor is located at 1250 Pacific Avenue, Long Beach, CA 90813.

RECITALS

WHEREAS, County may contract with private businesses for drug and alcohol testing for commercial drivers when certain requirements are met; and

WHEREAS, pursuant to the California Government Code Section 31000.8, County is authorized to contract with private firms to perform such services.

WHEREAS, the Contractor is a private firm specializing in providing drug and alcohol testing for commercial drivers.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, and R which are listed below and attached hereto form and are collectively referred to throughout as the "Contract." In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between this base document and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to this base document and then to the Exhibits according to the following priority:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Pricing Schedule

- 1.3 EXHIBIT C - Certification of Independent Price Determination
& Acknowledgement of RFP Restrictions
- 1.4 EXHIBIT D - Certification of No Conflict of Interest
- 1.5 EXHIBIT E - Child Support Compliance Program Certification
- 1.6 EXHIBIT F - Familiarity of the County Lobbyist Ordinance Certification
- 1.7 EXHIBIT G - L.A. County Community Business Enterprise Program
- 1.8 EXHIBIT H - Principal Owner Information (POI) Form
- 1.9 EXHIBIT I - Proposer's EEO Certification
- 1.10 EXHIBIT J - Attestation of Willingness to Consider Gain/Grow
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- 1.12 EXHIBIT L - County's Administration
- 1.13 EXHIBIT M - Contractor's Administration
- 1.14 EXHIBIT N - Contractor Employee Acknowledgement and
Confidentiality Agreement
- 1.15 EXHIBIT O - County of Los Angeles Policy on Doing Business
with Small Business
- 1.16 EXHIBIT P - IRS Notice 1015
- 1.17 EXHIBIT Q - Contractor Non-Employee Acknowledgement and
Confidentiality Agreement
- 1.18 EXHIBIT R - Safely Surrendered Baby Law

This Contract constitutes the complete and exclusive statement of understanding between the parties, and supersedes any and all previous agreements whether, written or oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid and enforceable unless prepared pursuant to Sub-paragraph 8.3 - Change Notices and Amendments and signed by both parties.

2.0 DEFINITIONS

The following terms and phrases in quotes and with initial letters capitalized shall have the following specific meaning when used in this contract, throughout and hereinafter.

2.2 ADMINISTRATION

The Chief Administrative Officer (hereinafter referred to as "CAO"), or his authorized designee, shall have the authority to administer this Contract

on behalf of the County. The term "County Contractor Administrator (CCA)" as used in this Agreement means the Chief of Health and Disability Benefits of the Chief Administrative Office.

2.5 "Effective Date"

shall mean the date upon which this Contract comes into full force and effect, which is the date that this Contract was made and entered into as shown in the first paragraph above the recitals of this contract and upon execution of this Contract by County's Board of Supervisors.

2.6 COUNTY

The County is the governmental entity, the County of Los Angeles, its employees, officers and officials.

2.7 "CCA"

shall mean the County's Contract Administrator who is the Chief, Health and Disability Benefits, CAO, Risk Management Branch, or her duly authorized designee.

2.8 "CCM"

shall mean the County's Contract Manager who is the Chief, Occupational Health Programs, CAO, Risk Management Branch or her duly authorized designee.

2.9 "CPM"

shall mean the Contractor's Project Manager who is the individual designated by the Contractor to administer the contract operations after the contract award.

2.10 DAYS

Calendar day(s) unless otherwise specified.

3.0 WORK PROVIDED BY CONTRACTOR

3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in the Statement of Work, Exhibit A.

3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

4.0 TERM OF CONTRACT

4.1 The term of this contract shall commence on the date described in 2.5 above and shall continue in full force and effect until June 30, 2006 with two one-year optional extensions as described in 4.2 below unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 This Contract may be extended by mutual agreement of the parties for up to two additional one-year periods, not to be extended beyond June 30, 2008. Such extensions of the term shall not change any other term or

condition of the Contract. The Chief Administrative Officer is authorized to act on behalf of the County in agreeing to such extensions.

- 4.3 In the event of expiration of the term of the Contract or termination prior to the expiration of the term of this Contract, the Contractor shall fully cooperate with County to provide for the transition to whatever service replacement method the County determines to be in its best interest.

5.0 CONTRACT SUM

5.1 Payment Pursuant to Pricing Schedule

The County shall pay the Contractor as set forth in the fee schedule for all materials/services covered under this Contract as shown as Exhibit B, Pricing Schedule.

5.2 No Payment for Services Outside Scope of Statement of Work

The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.

5.3 Invoice and Payments

- 5.3.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A, Statement of Work and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in Exhibit B, Pricing Schedule, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved as written by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.
- 5.3.2 The Contractor's invoices shall be priced in accordance with Exhibit B, Pricing Schedule.
- 5.3.3 The Contractor's invoices shall clearly reflect and provide reasonable detail (recipient name, service description, facility, date, time, etc.) as determined by the CCA of the services provided as set forth in Exhibit A, Statement of Work and elsewhere herein.
- 5.3.4 The Contractor shall invoice the County monthly in arrears for work performed and for supplying the services specified herein.
- 5.3.5 All invoices under this Contract shall be submitted to the following address:

Chief Administrative Office
Constance S. Sullivan, Chief,
Health and Disability Benefits
CAO, Risk Management Branch
3333 Wilshire Boulevard, Suite 1000
Los Angeles, CA 90010
(213) 738-2233

All invoices submitted by the Contractor for payment must have the written approval of the County's Contract Administrator prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following Sub-paragraphs are designated in Exhibit L. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Contract Administrator (CCA)

Responsibilities of the CCA include:

- ensuring that the objectives of this Contract are met;
- making changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.3, Change Notices and Amendments; and
- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.2 County's Contract Manager

The responsibilities of the County's Contract Manager include:

- shall meet or confer with Contractor's Project Manager on a regular basis;
- ensuring that the technical standards and requirements of Contractor's performance under this Contract are met;
- advising CCA as to Contractor's performance in areas relative to requirements and technical standards; and
- inspecting any and all Licensed Products, Services, tasks, deliverables, goods, services, and/or other work provided by or on behalf of Contractor.

6.3 County's Contract Monitor

- * The County's Contract Monitor is responsible for overseeing the day-to-day administration of this Contract. The County Contract Monitor reports to the County's Contract Manager.

- * The County's Contract Monitor is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.4 County Personnel

Any and all County personnel shall be under the exclusive supervision of County. Contractor understands and agrees that any/all such County personnel are assigned only for the convenience of County. Contractor hereby warrants and represents that its rates and fees, Performance Criteria, and performance levels hereunder are based solely on the work of Contractor's personnel, except as otherwise expressly provided by this Agreement.

7.0 ADMINISTRATION OF CONTRACT – CONTRACTOR

7.1 Contractor's Project Manager

The Contractor's Project Manager is the designated officer or employee responsible for all actions needed to administer the contract and shall have full authority to act for the Contractor on all contract matters relating to daily operations.

The Contractor's Project Manager must have three (3) years of experience in supervising or managing a drug/alcohol testing program for commercial drivers or services equivalent or similar to the services identified in this Statement of Work, Exhibit A.

Contractor's Project Manager is designated in Exhibit M. The Contractor shall verify upon award of contract, the name, address and telephone number of the Project Manager or designee who shall be responsible for administering the contract.

Responsibilities of the Contractor Project Manager include:

- 7.1.1 The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.
- 7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Contract Manager and Contract Monitor on a regular basis.
- 7.1.3 Contractor's Project Manager shall meet or confer with County's Contract Manager on a regular basis.

7.2 Approval of Contractor's Staff

County has the absolute right to approve or disapprove of Contractor's Project Manager. Contractor shall provide County with a resume for each proposed Project Manager and an opportunity to interview such person prior to his/her performing any work hereunder. In addition, Contractor represents and warrants that it will, to the maximum extent possible, take all necessary steps to ensure continuity over time of the membership of

the group constituting Contractor's staff and, in particular, Contractor's Project Manager

Contractor shall promptly fill any staff vacancy with personnel having qualifications at least equivalent to those of the staff member(s) being replaced.

Contractor shall supply sufficient staff to discharge its responsibilities hereunder in a timely and efficient manner. In the event Contractor should ever need to remove any staff from performing Services under this Contract, Contractor shall provide County with adequate notice, except in circumstances in which such notice is not possible, and shall work with County on a mutually agreeable transition plan so as to provide an acceptable replacement and ensure project continuity.

7.3 Confidentiality

The Contractor shall maintain the confidentiality of all records, including but not limited to billing, County records, case records and patient records, under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit N.

The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit Q.

8.0 TERMS AND CONDITIONS

8.1 ASSIGNMENT AND DELEGATION

8.1.1 The Contractor shall not assign its rights nor delegate its duties under this Contract, or both, either in whole or in part, without the prior written consent of the CAO. Any unapproved assignment or delegation shall be null and void. Any payments by the CCA to any approved delegate or assignee on any claim under this Contract shall be deductible, at CCA's sole discretion, against the claims, which the Contractor may have against the County.

8.1.2 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without CAO's express prior written approval, may result in the termination of this Contract.

8.2 BUDGET REDUCTIONS

In the event of significant shortfalls in the County's budget for any fiscal year, the County reserves the right to renegotiate its payment obligation under this Contract during such period of budget shortfall or to terminate this contract. The County shall give the Contractor 30 calendar day written notice of its intention to exercise its right to renegotiate its payment obligation or terminate this Contract pursuant to this paragraph.

8.3 CHANGE NOTICES AND AMENDMENTS

8.3.1 The County reserves the right to initiate Change Notices that do not affect the scope, term, contract sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by the CCA. The CCA is authorized to enter into and execute such change notices.

8.3.2 During the life of the Contract, there may be a need to adjust drug and alcohol testing protocols or for new testing, collection, and reporting procedures as required by law or changes in community professional practice or in recommendations made by such organizations as the Department of Health and Human Services (DHHS). The CAO shall have the authority to make such changes in drug and alcohol protocols, testing, collection, or reporting procedures and the contractor shall provide to County such new services at rates which in no event exceed those published in any existing official rate schedule such as Medi-Cal or Workers' Compensation Fee Schedule for all such test components tested in such schedules, and/or exceed the lowest rates for these tests or services charged by the contractor to any other client.

8.3.3 For any change which affects the scope of work, period of performance, Contract Sum, payments, or any term or condition included under this Contract, except for those exceptions specifically provided for in this Contract, a negotiated Amendment to this Contract shall be executed by the County's Board of Supervisors and the Contractor.

8.3.4 The County's Board of Supervisors or Chief Administrative Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Administrative Officer. To implement such orders, an Amendment to the Contract shall be prepared, negotiated if necessary, and executed by the Contractor and by the CCA.

8.3.5 The Chief Administrative Officer may prepare and sign amendments to the Contract without further action by the Board of Supervisors under the following conditions:

8.3.5.1 Amendments shall be in compliance with applicable County, State and Federal regulations.

8.3.5.2 The amendment is for a decrease in the Contract, or changes are required in services to meet changes in County policy or requirements.

8.3.5.3 The Board has appropriated sufficient funds.

8.3.5.4 The amendment is for an increase of no more than 15% of the total Contract amount, and is necessitated by additional units of services or for additional and necessary services that are required in order for Contractor to comply with changes in County requirements.

8.3.5.5 The Chief Administrative Officer will file a copy of all amendments with the Executive Office of the Board of Supervisors within fifteen (15) days after execution of each amendment.

8.4 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

Within ninety (90) business days after contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

8.4.1 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

8.4.2 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days.

8.4.3 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

The Contractor shall preliminarily investigate all complaints and notify the County's Contract Manager of the status of the investigation within five (5) business days of receiving the complaint.

When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

Copies of all written responses shall be sent to the County's Contract Manager within three (3) business days of mailing to the complainant.

8.5 COMPLIANCE WITH APPLICABLE LAW

8.5.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.5.2 The Contractor shall indemnify, defend, and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part

of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

8.6 COMPLIANCE WITH CIVIL RIGHTS LAWS

The Contractor hereby assures that it will comply with Subchapter VII of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit I - Contractor's EEO Certification.

8.7 CONFLICT OF INTEREST

8.7.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.7.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances.

8.8 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.9 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for

any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.10 CONTRACTOR'S RESPONSIBILITY AND DEBARMENT

8.10.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attributes of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the County's policy to conduct business only with responsible Contractors.

8.10.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other Contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding on County Contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing Contracts the Contractor may have with the County.

8.10.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated any term of a Contract with the County, (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a Contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.10.4 Contractor Hearing Board

If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence that is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The

Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

A record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

8.10.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.11 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

The Contractor acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at the Contractor's place of business. The County's Child Support Services Department will supply the Contractor with the poster to be used.

8.12 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.12.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Purchase Order or Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.12.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.13 QUALITY CONTROL PLAN

The Contractor shall immediately establish and maintain a Quality Control Plan to assure that the requirements of this Contract are met. The plan shall include, but not be limited to, the following:

- 8.13.1 The methods for assuring and verifying that contractor staff are qualified and properly trained to perform the services required under the agreement.
- 8.13.2 A system for monitoring compliance with all the services listed in Exhibit A – Statement of Work. It must specify the activities to be inspected/audited on either a scheduled or unscheduled basis, how often inspections/audits will be accomplished, and the title of the individual(s) who will perform the inspection/audits.
- 8.13.3 The methods for identifying, correcting and preventing deficiencies in the quality of service performed under the contract if the level of performance becomes unacceptable.
- 8.13.4 Report of Quality Control Plan efforts and results shall be prepared by Contractor and submitted to CCA at end of each calendar year of contract term.

8.14 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards.

Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.15 EMPLOYMENT ELIGIBILITY VERIFICATION

The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law. The Contractor shall indemnify, defend, and hold harmless, the

County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.16 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized offices of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.3, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.17 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.18 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.19 INDEPENDENT CONTRACTOR STATUS

8.19.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor is, and shall perform as, an independent contractor.

8.19.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

- 8.19.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.20 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

8.21 GENERAL INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

8.21.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to Constance S. Sullivan, Chief, Occupational Health and Disability Management, Risk Management Branch, 3333 Wilshire Blvd., Suite 1000, Los Angeles, CA 90010 prior to commencing services under this Contract. Such certificates or other evidence shall:

- 8.21.1.1 Specifically identify this Contract;
- 8.21.1.2 Clearly evidence all coverages required in this Contract;
- 8.21.1.3 Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- 8.21.1.4 Include copies of the additional insured endorsements, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as additional insureds for all activities arising from this Contract; and
- 8.21.1.5 Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured

retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.21.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by County Risk Management.

8.21.3 Failure to Maintain Coverage: Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

8.21.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

Any failure by Contractor to comply with the claim reporting provisions of its policies shall not affect the scope of the indemnity provided in Section 8.20 above, Indemnification.

8.21.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

8.21.6 Insurance Coverage Requirements for Subcontractors: The Contractor shall ensure any and all subcontractors performing services under this Contract will provide the County the same

scope of indemnification, defense, and hold harmless provided by the Contractor and meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of subcontractors, or
- The Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of subcontractor insurance coverage within ten working days from County's request.

8.22 INSURANCE COVERAGE REQUIREMENTS

8.22.1 General Liability insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

8.22.2 Workers' Compensation and Employer's Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

8.22.3 Professional Liability insurance covering liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$3 million aggregate. The coverage also shall provide an extended two year reporting period commencing upon termination or cancellation of this Agreement.

8.23 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

8.24 NONDISCRIMINATION IN EMPLOYMENT

- 8.24.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.24.2 The Contractor shall certify to, and comply with, the provisions of Exhibit I - Contractor's EEO Certification.
- 8.24.3 The Contractor shall take action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.24.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.
- 8.24.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.24.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.24 when so requested by the County.
- 8.24.7 If the County finds that any provisions of this Sub-paragraph 8.24 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State

anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

- 8.24.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.25 NONEXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor and/or County. This Contract shall not restrict the County from acquiring similar, equal or like goods and/or services from other entities or sources.

8.26 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.27 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County Contract Manager and/or CCA any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County Contract Manager or CCA is not able to resolve the dispute, the CAO, or designee shall resolve it.

8.28 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.29 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits L, County's Administration and M, Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The CAO shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.30 NOTICE WHEN 75% CONTRACT AUTHORIZATION INCURRED OR WITHIN SIX MONTHS FROM EXPIRATION OF TERM

- 8.30.1 Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five (75%) of the total contract authorization under this Contract. Upon occurrence of this event, Contractor shall send written notification to the CCA at the address herein provided in Exhibit L.
- 8.30.2 Contractor shall notify CCA when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to CCA at the address herein provided in Exhibit N.

8.31 PUBLIC RECORDS ACT

- 8.31.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.33 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order to court of competent jurisdiction.
- 8.31.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a bid marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.32 PUBLICITY

- 8.32.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:
- The Contractor shall develop all publicity material in a professional manner; or
 - During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County

without the prior written consent of the CCA. The County shall not unreasonably withhold written consent.

- 8.32.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.32 shall apply.

8.33 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.33.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.33.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph 8.33 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.33.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from

any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

8.34 RECYCLED PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.35 SUBCONTRACTING

8.35.1 The requirements of this Contract may not be subcontracted by the Contractor without the advance written approval of the County. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.35.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.35.3 The Contractor shall indemnify, defend, and hold harmless the County from any and all liability with respect to the acts and/or omissions of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.

8.35.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.35.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its subcontractors of this County right.

8.35.6 The CCA is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees.

8.35.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising

through services performed hereunder, notwithstanding the County's consent to subcontract.

- 8.35.8 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to Constance S. Sullivan, Chief, Occupational Health and Disability Management, Risk Management Branch, 3333 Wilshire Boulevard, Suite 1000, Los Angeles, CA 90010 before any subcontractor employee may perform any work hereunder.

8.36 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.12 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute a default by the Contractor under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department shall be grounds upon which the Auditor-Controller or Board of Supervisors may terminate this Contract pursuant to Sub-paragraph 8.38, Termination for Default.

8.37 TERMINATION FOR CONVENIENCE

- 8.37.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County to be in its best interest. Termination of work hereunder shall be effected by delivery to the Contractor of a notice of termination specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent. Said notice of termination shall be given by the CCA.
- 8.37.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:
- Stop work under this Contract on the date and to the extent specified in such notice, and
 - Complete performance of such part of the work as shall not have been terminated by such notice.
- 8.37.3 Submit to the County, in the form and with the certifications as may be prescribed by the County, a termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than three (3) months from the effective date of termination. Upon failure of the Contractor to submit a termination claim and invoice within the time allowed, the County may determine on the basis of information available to the County, the amount, if any, due to the Contractor in respect to the termination and such determination shall be final. After such

determination is made, the County shall pay the Contractor the amount so determined.

- 8.37.4 For a period of five (5) years after final settlement under this Contract, the Contractor shall make available to the County, at all reasonable times, all its books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract with respect to the termination of work hereunder. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.38 TERMINATION FOR DEFAULT

- 8.38.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of CCA:
- 8.38.1.1 Contractor has materially breached this Contract;
 - 8.38.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
 - 8.38.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.
- 8.38.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.38.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.
- 8.38.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.38.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight

embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Sub-paragraph 8.39.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

8.38.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.38, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.38, or that the default was excusable under the provisions of Sub-paragraph 8.39.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.37 - Termination for Convenience.

8.38.5 In the event the County terminates this Contract in its entirety due to the Contractor's default as provided in Sub-paragraph 8.38.1, the Contractor and the County agree that the County will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the County's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the Contractor and the County agree that the County shall, at its sole option and in lieu of the provisions of Sub-paragraph 8.38.2, be entitled to liquidated damages from the Contractor, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent (5%) of the applicable year's Contract sum, whichever is less, as equitable compensation to the County for such actual damages. This amount of liquidated damages shall be either paid by the Contractor to the County by cash payment upon demand or, at the sole discretion of the CCA, or designee, deducted from any amounts due to the Contractor by the County, whether under this Contract or otherwise.

These liquidated damages shall be in addition to any credits, which the County is otherwise entitled to under this Contract, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.20 - Indemnification.

8.38.6 The rights and remedies of the County provided in this Sub-paragraph 8.38 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.39 TERMINATION FOR IMPROPER CONSIDERATION

- 8.39.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 8.39.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.
- 8.39.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

8.40 TERMINATION FOR INSOLVENCY

- 8.40.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
 - 8.40.1.1 Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
 - 8.40.1.2 The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
 - 8.40.1.3 The appointment of a Receiver or Trustee for the Contractor; or
 - 8.40.1.4 The execution by the Contractor of a general assignment for the benefit of creditors.
- 8.40.2 The rights and remedies of the County provided in this Subparagraph 8.40 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.41 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The Contractor, and each County Lobbyist or County Lobbying firm as

defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.42 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.43 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.44 WAIVER

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.45 WARRANTY AGAINST CONTINGENT FEES

8.45.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.45.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.46 LICENSES, PERMITS, REGISTRATIONS AND CERTIFICATES

The Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations and certificates required by

law, which are applicable to the performance of this Agreement, and shall further ensure that all of its officers, employees and agents who perform services hereunder obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations and certificates required by law which are applicable to their performance of services hereunder.

8.47 COMPLIANCE WITH CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM

8.47.1 Jury Service Program

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

8.47.2 Written Employee Jury Service Policy

8.47.2.1 Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

8.47.2.2 Purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform

services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

8.47.2.3 If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

8.47.2.4 Contractor's violation of this Section of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.48 Health Insurance Portability and Accountability Act (HIPAA) Contractor's Obligation as a Covered Entity Under HIPAA

The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ('HIPAA'). Contractor understands and agrees that it is a 'Covered Entity' under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information, and the use of appropriate consents and authorizations specified under HIPAA.

The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to Transactions and Code Sets, Privacy, and Security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for

compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

Contractor and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA Law and implementing regulations related to Transactions and Code Sets, Privacy, and Security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees, and agents), for its failure to comply with HIPAA.

8.49 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

8.50 AUTHORIZATION WARRANTY

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.51 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit R of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

8.52 CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law"

poster in a prominent position at the Contractor's place of business. The contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

8.54 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN

The Contractor represents and warrants that it has registered in the County's WebVen. Prior to a contract award, all potential contractors must register in the County's WebVen. The WebVen contains the vendor's business profile and identifies the goods/services the business provides. Registration can be accomplished online via the Internet by accessing the County's home page at http://lacounty.info/doing-business/main_db.htm. *(There are underscores in the address between the words "doing business" and "main db".)*

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IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

COUNTY OF LOS ANGELES

**AMERICAN SUBSTANCE ABUSE
PROFESSIONAL DRUG SOLUTIONS,
INC.**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

By _____
Chair of the Board
of Supervisors

By _____
Name

Title

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

Lloyd W. Pellman
County Counsel

By _____
Principal Deputy County Counsel

5/15/03
g/Department of Transportation//DOTContractA1

EXHIBIT A
Statement of Work
Section I - Definitions

The following definitions apply to this Statement of Work describing the major responsibilities and duties of the County and the Contractor. These definitions as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

1.0 DOT

The Federal Department of Transportation.

2.0 DPM

Departmental Program Manager (DPM). Each County department having covered employees must assign an individual to manage this program.

3.0 BLIND SAMPLE OR BLIND PERFORMANCE TEST SPECIMEN

A urine specimen submitted to a laboratory for quality control testing purposes, with a fictitious identifier, so the laboratory cannot distinguish it from employee specimens, and which is spiked with known quantities of specific drugs or which is a blank, containing no drugs. In accordance with DOT Rules for employers with an aggregate of fewer than 2000 covered employees, the County of Los Angeles is currently not required to provide blind specimens.

4.0 BREATH ALCOHOL CONCENTRATION (BAC)

The alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by a breath test.

5.0 CHAIN OF CUSTODY

Procedures to account for the integrity of each urine specimen by tracking its handling and storage from the point of specimen collection to final disposition of the specimen.

6.0 COMMERCIAL DRIVER (CD)

Any person who operates a commercial motor vehicle. This includes, but is not limited to: full-time, regularly employed drivers; casual intermittent or occasional drivers; and leased and independent drivers.

7.0 COMMERCIAL MOTOR VEHICLE (CMV)

A vehicle with a gross combination weight rating of 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight rating (GVWR) of more than 10,000 pounds; or with a gross vehicle weight of 26,001 or more pounds; or designed to carry 16 or more passengers, including the driver; or is of any size

and is required to be placarded under the Hazardous Materials Regulation (49 CFR Part 172, Subpart F).

8.0 CONFIRMATION TEST

For alcohol, it means a second test, following a screening test with a result of 0.02, or greater, that provides quantitative data of alcohol concentration. For controlled substances it means a second analytical procedure to identify the presence of a specific drug or metabolite which is independent of the initial test and which uses a different technique and chemical principle from that of the initial test in order to ensure reliability and accuracy. Gas chromatography/mass spectrometry (GC/MS) is the only authorized confirmation method for cocaine, marijuana, opiates, amphetamines, and phencyclidine.

9.0 COVERED EMPLOYEE

A covered employee is a commercial driver performing safety-sensitive functions.

10.0 INITIAL TEST (ALSO KNOWN AS SCREENING TEST)

For alcohol it means an analytical procedure to determine whether a driver may have a prohibited concentration of alcohol in his/her system. For controlled substances it means an immunoassay screen to eliminate "negative" urine specimen from further consideration.

11.0 MEDICAL REVIEW OFFICER (MRO)

A licensed physician (Doctor of Medicine or Osteopathy) meeting the certification requirements of DOT that is responsible for receiving laboratory results generated by an employer's drug testing program and has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result together with his/her medical history and any other relevant biomedical data.

12.0 ON-DUTY TIME

All time, from the time a driver begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work as specified by regulations.

13.0 PRE-EMPLOYMENT TESTING

Conducted when a covered person is hired, transferred, promoted, or assigned into a safety-sensitive function or other position requiring testing for substance abuse.

14.0 PROHIBITED DRUGS

Marijuana, cocaine, amphetamines, opiates, and phencyclidine (PCP).

15.0 SUBSTANCE ABUSE PROFESSIONAL (SAP)

Means a licensed physician (Medical Doctor or Doctor of Osteopathy), or a licensed or certified psychologist, social worker, employee assistance professional, or addiction counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substances-related disorders.

16.0 VALIDITY TESTING

The evaluation of the specimen to determine if it is consistent with normal urine, or if there is evidence of dilution, or substitution.

EXHIBIT A
Statement of Work
Section II – Contractor's Services

1.0 SCOPE OF WORK

During the contracting period, the Contractor shall take all necessary steps to provide the drug and alcohol testing services for all covered employees prescribed by, and in compliance with, DOT Rules (49 CFR Part 40, 2000 revision, and Part 382) and County policy, and as Contractor presented in their proposal submitted in response to the solicitation for these services. The requirements/services listed below should be considered illustrative of primary responsibilities/services, and should not be considered a complete or detailed listing of all Proposer's duties. Additionally, numerous ancillary and support functions are set forth in other sections throughout this document. (e.g. insurance requirements, performance standards monitoring, maintaining records, etc.).

1.1 Database of Covered Employees

- Maintain a database of County and County Special District employees requiring random testing and monitor and coordinate testing services in compliance with DOT standards and County policy.
- Using a disk and/or hardcopy provided by the County containing information on County employees covered by the DOT program, generate random lists for drug and alcohol testing on a monthly basis, sorting by department. Update of the list/disk monthly with assistance from DPMs..
- Each month provide each department program manager (DPM) with a list of its employees subject to random testing as well as any employees that may be subject to follow-up or return-to-work testing.
- Notify respective DPM as well as County's Contract Manager if a department fails to comply with, or falls below the mandatory testing percentages for, random testing requirements.
- Notify respective DPM as well as County's Contract Manager if a department fails to comply with any follow-up testing or return-to-work testing requirements.
- As needed, train County Contract Manager's staff and DPMs to use Contractor program information system at no charge.

1.2 Testing Facilities/Lab Analysis

- Ensure that all laboratories utilized by the Contractor for drug and alcohol testing are certified by the Department of Health and Human Services (DHHS).

- Ensure that facilities/laboratories for specimen collection and testing comply with DOT standards and County policy.
 - Ensure that collection sites are located throughout greater Los Angeles County (including northern-most area of County of Los Angeles) and/or are mobile in order to provide on-site collection.
 - Provide the County with a current list of all laboratories within the Contractor's network and submit revisions to County Contract Manager and DPMs within one week of any change.
 - Provide an updated list of all drug and alcohol collection facilities/locations to CCA, CCM, and DPMs upon contract start date and annually thereafter throughout the term of the agreement.
 - Provide CCA, CCM, and DPMs with updated lists as soon as any change is made to any facility/location.
 - Ensure that collectors are in compliance with qualification training requirements and error correction training procedures.
 - Ensure that arrangements for timely transportation of specimens from collection sites to labs are provided.
 - Ensure that laboratory analysis of urine tests is in accordance with DOT and related regulations and include: split sample urine collection, validity testing, controlled substances testing, and confirmation testing.
 - Ensure that breath alcohol testing sites, equipment and procedures are provided and that all personnel (breath alcohol technicians, screening test technicians) meet qualification training requirements, with provisions for error correction training.
 - Ensure that storage of positive specimens is in accordance with DOT requirements.
- Ensure that some sites are geographically accessible throughout the County having both urine and breath alcohol collection/testing and have twenty-four hour, seven-days per week service capability.
- Coordinate return-to-duty and follow-up testing with DPMs.

1.3 Testing Services

- Pre-placement, random, post-accident, reasonable suspicion, follow-up and return-to-duty testing services shall be provided.
- Provide appropriately trained staff and equipment for urine specimen collection and breath alcohol testing throughout the County, where County and Board-governed special district work sites are located.
- Provide accurate post-testing reports to the County in compliance with County policy and DOT standards.
- Provide the Occupational Health Program (OHP) with accurate results of all pre-placement tests within 24-hours after collection, unless testing complications or findings require extended MRO involvement and then no later than six days post-collection. Provide the OHP with copies of individual test results as soon as processed. Include employee name, employee social security number, date of collection, date of result, and actual test result.

Requirements for alcohol and drug types and cutoff concentrations must be followed for initial and confirmation tests. See Title 49, CFR, Part 40.

1.4 Federal Drug Testing Custody and Control Form

Provide each participating department with a maintenance supply of forms and at any time upon request. The forms are to be delivered complete, indicating participating department's name and identification number.

1.5 Medical Review Officer (MRO) Services

Provide comprehensive Medical Review Officer services by physicians meeting DOT qualification training requirements for all tests.

1.6 Substance Abuse Professional (SAP) Services

Provide Substance Abuse Professional services by individuals meeting qualification training requirements and continuing education requirements accessible to all areas of Los Angeles County. Track follow-up by employees subject to rehabilitation and testing requirements. Notify DPMs of breaches.

1.7 Training Sessions

- At times and places convenient to the County, provide training sessions, upon request, consisting of at least 60 minutes of training on alcohol misuse and an additional 60 minutes on controlled substance use to supervisors who are required to determine whether reasonable suspicion exists to require a driver to undergo testing.

Training shall cover the physical, behavioral, speech, and performance indicators of probable alcohol misuse and use of controlled substances.

- Develop the content and structure of training materials to ensure compliance with federal and state law.
- Provide audio, video, slides and other media products as needed.
- Provide all services in accordance with Federal guidelines on drug and alcohol testing and in accordance with the County's policies and procedures for drug and alcohol testing of commercial drivers and employees subject to Federal Motor Carrier Safety Administration (FMCSA) regulations.

1.8 Required Reporting

1.8.1 Results of Testing

The Contractor shall provide, in accordance with DOT and related federal guidelines on time limits for such notification, written notification to County DPMs and County Contract Manager of the results of each individual test. The Contractor shall provide telephone notification to County DPM of all positive test results, in accordance with all applicable federal requirements and the County's Policy and Procedures for DOT testing and consistent with all applicable federal and state requirements on confidentiality of medical records.

- ### 1.8.2 Provide consultative services to County DPM and County Contract Manager regarding positive results on individual employees and on policy and program questions.

1.8.3 Annual and Semi-Annual Report

Within 30 days of the year's mid-point and within 30 days of the end of the calendar year, Contractor shall provide a written report to the County Contract Administrator of that calendar year's testing statistics. This report shall be in accordance with federal DOT and California Highway Patrol reporting requirements.

1.8.4 Maintenance of records

The Contractor shall maintain records in accordance with relevant federal requirements.

1.8.5 Changes in Reporting Requirements/Approvals

The County reserves the right of final review and approval of the format on all reports, to request additional reports and/or request changes to existing reports, during the term of this agreement.

1.9 Billing and Invoicing

1.9.1 Frequency

Billing will be monthly, in arrears for the services rendered during the previous month.

1.9.2 Information Requirements

Invoices must contain the information described below. Failure to provide complete invoices will result in delay and/or non-payment. Invoices shall be submitted in duplicate and contain, at a minimum, the following information:

County Summary Invoice

Date of Service
Social Security Number of examinee
Employee Number
Type of Service
Cost of test performed
County department authorizing test

Departmental Itemization

Contractor shall also provide a summary of the service provided during the month to each County department, invoiced with the same data elements as on the County summary invoice.

1.9.3.1 Mailing of Invoices

Invoices shall be mailed to:

Constance S. Sullivan, Chief
Health and Disability Benefits
Chief Administrative Office, Risk Management Branch
3333 Wilshire Blvd., Suite 1000
Los Angeles, CA 90012

2.0 QUALITY ASSURANCE

2.1 Contractor's Quality Control Program

The Contractor shall immediately establish and maintain a Quality Control Plan to assure that the requirements of this contract are met. The plan shall include, but not be limited to, the following:

2.1.1 The methods for assuring and verifying that contractor staff are qualified and properly trained to perform the services required under the agreement and that they comply with applicable continuing education requirements.

- 2.1.2 A system for monitoring compliance with all the services listed in this Exhibit A – Statement of Work. It must specify the activities to be inspected/audited on either a scheduled or unscheduled basis, how often inspections/audits will be accomplished, and the title of the individual(s) who will perform the inspection/audits.
- 2.1.3 The methods for identifying and correcting deficiencies, and preventing further deficiencies in the quality of service performed under the contract if the level of performance becomes unacceptable.
- 2.1.4 Report of Quality Control Plan efforts and results shall be prepared by Contractor and submitted to CCA at end of each calendar year of contract term.

2.2 County's Quality Assurance Monitoring Plan

The monitoring of the Contractor's compliance with the requirements outlined in the Contract shall be performed by the CCA or his/her designee. The CCA or designee will evaluate the Contractor's performance under this Contract as defined in this Contract.

2.2.1 Meetings

The Contractor's Project Manager shall meet with the CCA or his/her designee and provide any necessary consulting for program support, as requested by County Contract Manager.

2.2.2 Contract Discrepancy Report

Verbal notification of a Contract discrepancy will be made to the Contractor's Contract Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor. The County Contract Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Monitor within five (5) business days, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Monitor within ten (10) business days.

2.2.3 County Observations

In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

3.0 Responsibilities

County

3.1 Personnel

The County will administer the Contract according to the Contract, Paragraph 6.0, Administration of Contract-County.

3.2 Orientation:

County will provide without cost to Contractor, orientation to the County's Drug/Alcohol Testing Program for Commercial Drivers.

Contractor

3.3 Personnel

Contractor will administer the Contract according to the Contract, Paragraph 7.0, Administration of Contract-Contractor.

- The Contractor shall maintain an administration center in the County of Los Angeles or adjacent County or within 100 miles of the Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, CA 90012.
- Project Manager or designated alternate must be available by telephone/pager Monday through Friday, 9:00 a.m to 4:00 p.m.

3.2 Transition Plan

The Contractor shall provide a smooth and seamless transition of program management including but not limited to:

- Assume responsibility for, and assist County in the collection process and of all County employee records and reports maintained by current vendor through June 30, 2003 that are necessary for continuation of services under this contract. Assist County in collection process and storage decisions of inactive project records turned over by vendor.
- Incorporate report statistics from semi-annual report (period 1/1/03-6/30/03) into annual report for first year.
- Assume monitoring responsibilities of SAP referrals and reports, including tracking and notifying DPM of schedule/results of follow-up tests, treatment/education and aftercare.
- Request list of current collection sites and add any to ASAP network if not already included.

- Contact DPMs to ensure database provided at onset of project is up-to-date.

3.1 Orientation:

The Contractor shall provide an orientation session at no charge to include and demonstrate proper use of program support materials for County managers and/or supervisors as requested by County Contract Manager.

5/19/03
g/Dept of Transportation/DOTcontractB2

EXHIBIT B**PRICING SCHEDULE - page 1 of 2**
"FEE PER UNIT/TYPE OF SERVICE"**YEAR ONE (1) THROUGH YEAR FIVE (5) OF CONTRACT TERM**

SERVICE/COMPONENT DESCRIPTION	UNIT (EA) PRICE
1. TESTING SERVICES- DRUG AND ALCOHOL TESTING CONSISTING OF THE FOLLOWING: URINE SPLIT SPECIMEN COLLECTION AND INITIAL TESTING OF PRIMARY SPECIMEN- VALIDITY TESTING AND CONTROLLED SUBSTANCES TESTING - REPEAT COLLECTION IF SUSPECT. SERVICES PROVIDED AT COLLECTION SITE.	\$35.00
2. SAME AS # 1 ABOVE BUT SERVICES PROVIDED BY MOBILE COLLECTION SERVICE.	\$100 + \$35 per person testing services
3. CONFIRMATION TEST (GC/MS) OF POSITIVE DRUG FINDING.	-0-
4. SPLIT SPECIMEN TESTING (SECOND LABORATORY) IF PRIMARY TEST POSITIVE FOR ADULTERATION OR SUBSTITUTION (NOTE: EA MEANS PER TEST)	\$140.00
5. SPLIT SPECIMEN GC/MS TEST (SECOND LABORATORY) (NOTE: EA MEANS PER TEST)	\$140.00
6. 6-ACETYLMORPHINE CONFIRMATION TEST IF MORPHINE GREATER THAN 2000 ng/mL (NOTE: EA MEANS PER TEST)	\$35.00
7. D&L ISOMERS IF POSITIVE FOR AMPHETAMINES AND MRO DEEMS NECESSARY (NOTE: EA MEANS PER TEST)	\$35.00
8. BREATH ALCOHOL TEST (INDICATE IF FEES DIFFER FOR TESTING AT COLLECTION SITE VS. AVAILABLE MOBILE TESTING SERVICE). (NOTE: EA MEANS PER TEST)	\$25.00
9. SAME AS # 8 ABOVE BUT SERVICES PROVIDED BY MOBILE COLLECTION SERVICE.	\$100.00 + \$25.00 Per BAT
10. CONFIRMATORY BREATH ALCOHOL TESTS FOR POSITIVES (NOTE: EA MEANS PER TEST)	-0-
11. SUBSTANCE ABUSE PROFESSIONAL SERVICES, INCLUDING EMPLOYEE ASSISTANCE DETERMINATION, REFERRAL, COMPLIANCE MONITORING, FOLLOW-UP PLANNING, NOTIFICATION OF DEPARTMENT PROGRAM MANAGER OF FOLLOW-UP PLAN (NOTE: EA MEANS PER SESSION)	\$100
12. MEDICAL REVIEW OFFICER REVIEW OF ALL TESTS.	-0-
12. MEDICAL REVIEW OFFICER POSITIVE TEST VERIFICATION. EMPLOYEE CONSULTATION. (NOTE: EA MEANS PER TEST)	-0-
13. SUPERVISOR TRAINING PROGRAM MATERIALS AND TWO-HOUR TRAINING SESSION (NOTE: EA MEANS PER HOUR)	\$125.00
14. ADDITIONAL PROGRAM ADMINISTRATION/MANAGEMENT, CONSULTATION, OTHER LABORATORY COSTS, ETC. (ITEMIZED).	-0-
15. GENERATE RANDOM LISTS/NOTIFY DEPTS	-0-
16. OTHER (ITEMIZED)	-0-
17. EXPERT WITNESS	\$400.00
18. ADDITIONAL PHYSICIAN EVAL (eg:, shy bladder, disease, opiate physical, etc.)	\$80.00
19. ONE-TIME TRANSITION FEE AT ONSET OF CONTRACT	\$300.00

EXHIBIT B
PRICING SCHEDULE - page 2 of 2
“FEE PER UNIT/TYPE OF SERVICE”
YEAR ONE (1) THROUGH YEAR FIVE (5) OF CONTRACT TERM

- a. All services specified within this contract are included within some pricing category of this Exhibit B, PRICING SCHEDULE or are provided at no charge.
- b. Using past experience as a predictor of utilization of services throughout the term of this contract, and the prices quoted by Contractor in Exhibit B, PRICING SCHEDULE, an annual cost of \$29,000 is estimated. Over five years, the estimated cost of the contract is \$145,000. In the event that an increase in either the level of participation in the program or in the utilization of services occurs, a 20% increase is factored in to allow for a maximum annual cap of \$34, 800 and a maximum total (5 year) contract cap of \$174,000.

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